



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES AGREEMENT REACHED IN FIDELITY TELEPHONE COMPANY RATE CASE

Jefferson City (April 21, 2004)---The Missouri Public Service Commission has approved an agreement reached by various parties which authorizes the Fidelity Telephone Company to increase annual telephone revenues by approximately \$1,625,000.

When the Fidelity Telephone Company filed its rate case on December 30, 2003, it sought to increase annual telephone revenues by approximately \$2,359,970. Fidelity Telephone Company provides telephone service to approximately 16,700 access lines in the Missouri counties of Crawford, Franklin, Gasconade, Washington and Osage.

Under the agreement, the basic monthly telephone rate for one-party residential customers will increase from the current rate of \$7.55 a month to \$10.25 a month. For one-party business customers, the basic monthly telephone rate will increase from \$14.25 a month to \$19.95 a month.

Rates on a number of non-basic telephone service offerings will be changing as a result of this case including the optional local toll Outstate Calling Area (OCA) plan. Monthly OCA rates are listed below:

<u>Type of Service</u>	<u>Current Rate</u>	<u>Rate Under Agreement</u>
OCA 2 hour plan-Business	\$10.80	\$12.00
OCA 5 hour plan-Business	\$24.50	\$27.00
OCA 2 hour plan-Residential	\$ 9.60	\$10.80
OCA 5 hour plan-Residential	\$21.85	\$24.50

Under the agreement approved by the Commission, Fidelity will increase the rates charged to long distance carriers for access to the Fidelity Telephone Company network to complete a long distance call. In addition, Fidelity has agreed to notify its customers through bill inserts of the availability of Lifeline and Link-Up services. Those notices will be spread out over regular customer billings during the months of September, October and November. The Lifeline and Link-Up programs offer assistance to qualified Missouri residential telephone customers, ensuring telephone connection (hook-up) and service remain affordable.

The agreement approved by the Commission was submitted by the PSC Staff, the Office of the Public Counsel and Fidelity Telephone Company. Case intervenors Southwestern Bell Telephone L.P. d/b/a SBC Missouri and AT&T Communications of the Southwest, Inc. (AT&T) were not signatories to the agreement. Both stated that they do not oppose the agreement.

The Commission's order approving the agreement states: "The Commission has considered the settlement agreement of the parties as contained in the Stipulation and Agreement filed herein, together with Staff's (PSC Staff) suggestions, and concludes that the settlement agreement is just and reasonable and should be approved."

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